

on line by 1970, almost fell into the control of the French government less than a month ago. I am speaking of The Oil Shale Corporation whose representative Mr. Winston has recently testified before this Subcommittee.

I suggest to the Subcommittee that the most pressing questions before the Congress are not questions of "why" or "why not" certain companies have sought to develop our oil shale resources. I am afraid that it is as idle for us to speculate about various corporate decisions, both past and future, as it is to ask each other how many angels will dance on the head of a pin. The more pressing question before all of us is how we might promote the development of this resource. The questions which I believe the Chairman has ably raised concerning the constructive effects competition could play during the process of this promotion are, I believe, valid and necessary questions in the context of the greater dialogue. But let us not become so preoccupied with discussing the potential for monopoly in an industry which as yet does not even exist that such an industry is forever discouraged from setting its tender feet into the swim of the market place. I was tempted to say, "let's not throw the baby out with the bathwater." But that doesn't fit. As yet, the baby hasn't even been allowed to get into the bath.

I submit to this Subcommittee that we will be doing a great national disservice if government regulation in the name of "antitrust" serves to prohibit the emergency of a new industry in this area. Such a course, instead of stimulating competition, would prevent it. That would indeed be a Pyrrhic victory in the name of some confused and doctrinaire ideological cause.

Senator Hruska has brought my attention to an excellent article by Max Ways which appeared in *Fortune* Magazine in 1966 and again in 1967. Mr. Ways, in the article entitled "Antitrust in an Era of Radical Change", discusses the debilitating effect of reactionary and out-dated antitrust policy. If I may quote him he says, "But this thing, as they used to say in Hollywood, is bigger than all of them. The reactionary side of antitrust has a momentum that is built into court decisions, congressional investigations, and the cliches of public discussion . . . The place to clarify a fundamental national policy is Congress."

In discussing the course of our future policy Mr. Ways had this to say: "We cannot know that the future requires big corporations, any more than we can know it will be best served by small ones. We can know that the future requires innovation and flexibility and that the market, including the merger market, provides a better framework for them than central government planning would. We have three choices: we can substitute planning for the competitive market; we can keep the market, while distorting its action by government intervention on the false premise that the vigor of competition is determined by the number and size of competitors; or we can recognize that we are moving, year by year, into a more truly competitive and more innovative society in which we will not need and cannot afford the restrictive side of antitrust."

Many witnesses who have testified in these hearings expressed particular concern for the research and development phases of many contemplated leasing procedures. In some of his earlier remarks, the Chairman drew certain analogies between oil shale development and the development of a needed national weapons and space system. With that analogy I cannot agree. A look at the history of this country's free enterprise system would hardly lead one to believe that massive government involvement in research and development has been a "tried and true" method except in extreme situations which often have involved a national emergency. Indeed, I believe my principal difference with the Chairman throughout these hearings comes on this point.

We have before us a technological problem—how to get oil and other possibly valuable associated minerals out of oil shale through a commercial process which renders these products valuable in the market place. Up until the present time, we know that the chief problems in this illusive competitive process will be questions of mining and chemistry. In neither of these areas does our Federal government have any particular competence. Indeed, the competence, and I might add genius needed for this development lies within the private sector.

I believe that for this industry to properly develop we will see the dramatic formation of new corporations. These new figures on our private industry scene must be prepared to put together a variety of capabilities—in mining, in chemical engineering, in solid waste disposal and in the, as yet undefined, capability to derive high value from the newly recognized aluminum bearing carbonates. The combination of these capabilities, I believe, can only come from a responsive and innovative private sector.